# Proceedings of the Mysore Representative Assembly.

## *BUDGET SESSION—JUNE 1933.*

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### FIRST DAY—*Monday, 5th June 1933.*

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The Budget Session of the Mysore Representative Assembly commenced its sittings in the Jagan Mohan Palace Pavilion, Mysore, at 12 Noon on Monday, 5th June 1933, Rajakaryaprasakta Diwan Bahadur M. N. Krishna Rao, Officiating Dewan, presiding.

The Officiating Dewan and the Members of Council took their seats at 12 NOON.

The names of members present are given in the Appendix.

The proceedings were opened by the Dewan with the following Address:—

MEMBERS OF THE REPRESENTATIVE ASSEMBLY,

It gives me great pleasure to extend to you a cordial welcome to this year's Budget Session of the Assembly and to place before you, by command of His Highness the Maharaja, the financial statement for the coming year. Before I begin to explain this statement, I wish to state that it is a source of great pleasure to us that there is in our midst to-day the Hon'ble Col. Plowden, our new Resident. It is very kind of him to have accepted my invitation to attend this function. Col. Plowden was in Mysore some years ago and he is therefore no stranger to us. We welcome him warmly as an old friend of the State and feel very glad that he will be with us when important problems come up for settlement.

It is usual, on an occasion like this, to deal with the finances of the two years preceding the Budget year and I shall follow this practice and refer briefly to the position in 1931-32 and 1932-33 before explaining the Budget forecast for 1933-34.

*Actuals 1931-32.*

When Sir Mirza M. Ismail addressed you in October last, the preliminary actuals for 1931-32 were ready and he stated that according to them, the total revenue and expenditure of the year were respectively Rs. 338 and Rs. 356 lakhs. This anticipation has been confirmed by the final actuals and the result of the year's Revenue Account was a deficit of Rs. 18½ lakhs, after setting aside a similar amount as a contribution to the loan sinking fund. I may remind the Members that it was in this year that a vigorous campaign of economy was undertaken to counter the effects of an appreciable drop in our revenues and the result of the measures adopted is seen in the reduction of Rs. 38½ lakhs in gross revenue expenditure, compared with the level it had reached in the previous year.

*Revised Estimates 1932-33.*

The Budget for the current year was framed for a total revenue of Rs. 353 lakhs and provided for a total expenditure to be met from revenue of Rs. 363 lakhs with a resulting deficit of Rs. 10 lakhs.

*Changes in Classification.*—There are a few points of difference between the Budget and Revised Estimates owing to the change of allocation of some items of receipts and charges, and I think it will be convenient if I refer to these modifications before I present the Revised Estimates and explain in what respects they vary from the anticipations formed in the original estimates. These modifications, which have been made with the concurrence of the Finance and Taxation Committee, come under three classes :—

(1) In the Budget of this year, provisions were not made in the accounts of capital concerns for the contributions which they could afford to make from net revenues to their depreciation reserves. These contributions are necessary and their exclusion would inflate the net revenues of the concerns and produce a misleading impression in regard to their real financial position, and they have, therefore, been taken into account in the Revised Estimates.

(2) The fees levied under the Scheme of Record of Rights are intended to meet the expenditure on its introduction. The interest on the Famine Insurance Fund is meant exclusively for financing the expenditure on irrigation works. The share of petrol tax which we receive from the Govern-

ment of India should be solely used for the specified kind of road works. These three items do not form part of the revenues available for general purposes and they should, therefore, be kept apart and devoted to the objects for which they are intended.

(3) There are some contributions, which really represent a reduction of charges and it is appropriate that they should be shown as such on the expenditure side instead of as items of receipts.

The Budget for the current year, with these modifications, counted on a revenue of Rs. 333 lakhs and provided for an expenditure of Rs. 356 lakhs, resulting in a deficit of Rs. 23 lakhs. According to the Revised Estimates, we anticipate a revenue of Rs. 333 lakhs and an expenditure of Rs. 354 lakhs, with a deficit of Rs. 21 lakhs. There are some noticeable variations from the Budget and I shall refer to them presently. But, on the whole, the position in the current year, as now forecast, is a remarkably close approximation to the budget expectation.

*Revenue.*—I shall now refer to the more important of the variations in the probable actuals from the Budget Estimates. On the revenue side, there are increases under certain heads amounting to Rs. 14 lakhs, counter-balanced by equivalent decreases under other heads. The greatest disappointment has occurred under the head of Sandalwood Oil Revenue. We expected a gross revenue of Rs. 26½ lakhs but the actual realisation is unlikely to exceed Rs. 17 lakhs. There is a decline of about Rs. 6 lakhs under Railways and part of it is due to the enhancement of the contribution to the depreciation reserve and part to the reduction in the net receipts of our lines worked by the Madras and Southern Mahratta Railway Company. The demand for water for lands commanded by the Irwin Canal did not come up to expectations and this explains the decrease of about Rs. 2 lakhs in the water-rate revenue from the Krishnarajasagara Hydro-Electric and Irrigation Works. The loss on the Iron Works has proved to be Rs. 2 lakhs instead of about Rs. 1 lakh taken in the Budget. The enhanced value of gold has given us an increased revenue from royalty of nearly Rs. 4 lakhs. The gain on sale of securities and the sum received as our share of the German Reparation payments account for the improvement under Miscellaneous. There are some minor increases of revenue under the heads—Stamps, Assigned Tract Revenue and Electrical Works.

*Expenditure.*—Turning now to the expenditure side, I might invite attention to the important fact that the Revised Estimates show decreases under almost all departmental heads compared with the Budget Estimates. A very close control has been maintained over expenditure as reflected in this result. There are some minor increases under a few heads, but these are more than counter-balanced by the savings on departmental grants to which I have referred.

The deficit of Rs. 21 lakhs, anticipated in the Revised Estimate, is, I should state, after providing the full contribution of nearly Rs. 19 lakhs to the loan sinking fund.

*Budget Estimates 1933-34.*

*General Features.*—I now come to the financial programme for the next year and shall explain, before presenting the estimates, the general features which characterise the Budget. The world economic position shows no signs of improvement yet and the prospect of the restoration of normal conditions continues to be uncertain. It would not be wise, therefore, to reckon upon any general rise in prices or upon the expansion of markets for products in the coming year and to base our revenue estimates on the hopes of any such improvement. At the same time, several of our sources of revenue have already touched very low levels, and I do not think, we need anticipate any further falling off in them. We have counted, therefore, on the continuance, on the whole, of existing conditions in regard to our main heads of revenue and have made cautious estimates of their yield in the coming year. In the case of a few heads, however, some minor increases are expected on the strength of definite data. The interest on the securities of the loan sinking fund in the next year is Rs. 6 lakhs and this sum has been treated as part of general revenues instead of being added to the fund. We are contemplating measures for the conversion of our loans and the treatment as revenue of the item of interest, to which I have referred, is in view of the reduced contribution to the loan sinking fund which will be rendered possible by such measures.

*Salary Cut.*—As the depressed condition of our revenues continues to persist, it has not been found possible to permit the restoration of the cut in salaries. The emergency which called for this extreme measure remains and

its continuance in the next year is, therefore, necessary. In one respect, however, it has been considered desirable to make a relaxation. The officers in receipt of salaries ranging between Rs. 40 and Rs. 100 per mensem have now to forego 5 per cent of their emoluments and this rate of cut works hard on them. It has, therefore, been decided to reduce the rate of reduction in their case from five to two and a half per cent.

*Contributions from the Privy Purse and from Pensions of Members of the Ruling Family.*—The contribution graciously made by His Highness the Maharaja from his Privy Purse and the payments by the Members of the Ruling Family from their pensions in view of the financial difficulties of Government will be continued in the next year and are therefore taken credit for in the Budget.

*Revenue.*—The Budget for next year, framed on the lines I have explained, expects a total revenue of Rs. 343½ lakhs and provides for a total expenditure of Rs. 362 lakhs, to be met from revenue, resulting in a deficit of Rs. 18½ lakhs. There are only a few variations from the Revised Estimates and I shall invite attention to the more important of them. The gross revenue from sandalwood oil is taken at a lakh less than that in the current year as the demand for this article has been persistently slack for some time past. This is one of our important sources of revenue, but there has been a precipitous fall in it in the last few years. It stood at Rs. 39 lakhs in 1928-29, but in view of existing conditions, we feel we are not warranted. in expecting anything more than Rs. 16 lakhs in the next year. Sandalwood oil is mainly an article of luxury and it is natural that there should be an appreciable contraction in the demand for it when the purchasing power of people is so materially reduced as it has been by the prevailing depression. We have taken and are still taking all possible steps to expand sales and it is not unreasonable to hope that as soon as there is an improvement in the general economic situation, the demand for this oil will revive and restore our revenue from it to more or less its old level. An increase of a lakh and a half is expected under the Assigned Tract Revenue. We had in the current year the non-recurring receipts on account of the German Reparation payment and the gain on the sale of securities and the absence of any such items of income in the next year, explains the decrease under Miscellaneous. The growing

demand for power accounts for the increase of a lakh under Electrical Revenue. The revenue from the Bangalore New Water Supply Scheme appears for the first time in the Budget for next year. There are some points relating to its revenue account still to be decided and pending their settlement, a rough estimate of the net receipt of the Scheme is taken at a lakh and a half.

*Expenditure.*—On the expenditure side, there are no increases of importance to which it is necessary to invite attention. The level of expenditure of most of the departments is the same as, or even less than, in the current year. There is an increase of about a lakh and a half under Pensions due to reductions of establishment and the consequent retirement of officers. The increase of about a lakh and a half under Military is chiefly for the construction of some urgent buildings, for purchase of remounts, and for the formation in the next year of two platoons, according to the scheme of re-organization, of the Infantry.

*Position of Revenue Account.*

The Budget for next year, as I have stated, shows an excess of expenditure over revenue of Rs. 18½ lakhs. I shall now explain the nature of this excess and the circumstances in which it has had to be permitted. The expenditure estimates of productive works which can afford to form depreciation reserves from their net revenues include contributions to such reserves. The full provision of nearly Rs. 19 lakhs which is being set apart annually for the loan sinking fund, has also been made in the Budget. I should also mention that we have been treating the annual interest income of Rs. 5 lakhs from the securities of our sterling railway loan sinking fund as a kind of reserve for capital expenditure though it could from its nature be taken as revenue and this arrangement remains undisturbed in the Budget of next year. In a period of exceptional financial stress like that through which we are passing, the suspension or reduction, as a temporary measure, of contributions to reserve funds would not be unjustifiable and if we had adopted this expedient, we could have produced a balanced budget. Our object is, however, to exhibit the position as it really is and the Budget accordingly shows the result as it stands after providing for all normal demands and reserves. An improvement of Rs. 20 lakhs would be required for balancing our annual budgets. The necessity and importance of reaching

this position of equilibrium as quickly as possible, is fully realised and this objective we shall steadily keep in view. Our finances have been dislocated by a sudden and substantial decline in revenues and it requires some time to restore them to their old condition. As the House is aware, a Retrenchment Committee was appointed in March 1931 and they suggested savings of nearly half a crore of rupees in expenditure, and Government accepted most of their suggestions and effected, in one form or another, reductions in expenditure equal to the total amount recommended by the Committee. All economies which were found to be feasible have been made and an effective control is being exercised over expenditure. I do not mean to say that there is not here and there room for minor economies and the pursuit of such economies will, of course, receive our constant attention. The point, however, I wish to emphasise is that there is practically no scope for any major economies unless some of the beneficial social services carefully organized for years are abandoned. The present economic and financial position is quite abnormal and it is not unreasonable to hope that there would be some change for the better in the near future. I shall refer to one source of our revenue to show that an expectation of improvement is not unjustifiable. For five consecutive years ending with 1929-30, the annual average revenue from sandalwood oil exceeded Rs. 33 lakhs. Its reduction to less than half of this amount cannot but be regarded as temporary and it would not be too sanguine to expect a material recovery in it as soon as the market for the product revives. The budgets of several Governments in British India for the next year are either barely balanced or show deficits and the deficiencies are, in some cases, very large. Our deficit in 1930-31 was Rs. 62 lakhs and as the result of various measures adopted by us, it stands reduced to Rs. 18½ lakhs in the next year and this disequilibrium need not cause concern. I do not think it would be wise to resort to measures of economy which would have the effect of depriving the public of any of the services now rendered by the various departments, with the object of wiping out the still remaining deficit which may, after all, prove to be only a temporary deficiency. If, however, unfortunately the present unfavourable conditions should continue, measures for removing the existing deficit will become necessary and they will have to be adopted, whatever the sacrifice they involve.

*Burden of the Subsidy.*

There is one burden on our revenues to which it is necessary to invite particular attention in view of its anachronistic nature and of its adverse effect upon the administration, especially in this time of acute financial stress. I refer, of course, to the subsidy or tribute payable to the Government of India. This is a well-worn subject and I do not wish to dwell much on it. It is, however, impossible to refrain from referring to it until our perfectly just grievance is redressed. We have been pointing out the unfairness of this exaction for a long number of years and though the impropriety and injustice of the levy have lately been recognised, the relief which should be the result of such recognition is still withheld. We have effected retrenchments to the extent of half a crore of rupees and find that there is no further scope to make savings for balancing our Budget. With crippled resources and drastic retrenchments, it has become impossible to find money for even the most urgent needs of the administration. But yet, we are called upon to pay, year in and year out, a sum of Rs. 24½ lakhs. I should add that this payment is in addition to a heavy contribution which the State makes to the Government of India in the form of customs duties and other similar taxes imposed by that Government. These indirect contributions, I think, fully cover the share of the All-India expenditure that should be met by Mysore under any equitable scheme of Federal Finance. The levy, therefore, of an annual Subsidy, in addition, as a direct contribution is wholly unjustifiable. It is the hope of us all that Sir Mirza M. Ismail's unflagging efforts to convince the authorities of the justice of our claim for the immediate remission of this impost will prove successful and that our finances will be relieved of a burden which they are really unable to bear and which is seriously hampering the administration.

*Capital Finances.*

I have so far dealt with our revenue finances. I shall now turn to our capital finances and refer to some of the connected problems. I think it is desirable that the correct position in regard to the nature and amount of our debt, the cost of its service and the capital assets built from it, should be clearly understood to prevent any possible misapprehensions on this important subject.

*Capital Programme, 1933-34.*

The average annual outlay on capital works in the three years ending with the current was Rs. 70 lakhs but the provision made for this purpose in the Budget of next year is only Rs. 30 lakhs. There is thus a substantial contraction in the programme of these works. The allotments proposed are entirely for works in progress and financial considerations have made it even necessary to slow down the progress of works under construction and only the minimum grants have been included in the Budget.

*Debt Position.*

The total amount of all our outstanding loans is Rs. 737½ lakhs. Against this obligation, there are sinking funds amounting to Rs. 261½ lakhs and the whole of this amount is held in securities. The balance of debt is Rs. 476 lakhs which is much less than our investment on either the Railways or the Krishnarajasagara Hydro-Electric and Irrigation Works. The loans raised by us are thus fully covered by paying capital assets and we have no unproductive or dead-weight debt, whatever. One of the loans has no fixed period of currency and its discharge is entirely at our option. The amount of this loan is Rs. 161 lakhs and it carries interest at 4 per cent. Excluding this loan, the amount of debt repayable after the expiry of definite periods is only Rs. 315 lakhs. It will be seen that the view held by some, that we have resorted to excessive borrowing or that the proceeds of the loans have not been properly used, is not correct.

*Interest on Debt.*

The charges on account of interest on debt have increased in the last few years and this rise is urged by some as a point of weakness in our finances. I am afraid this view again is not correct as it overlooks some obvious facts. The expenditure incurred on the payment of interest is one side of the account of our borrowing. The other side is the income we get from all our investments. It is necessary that we should look at both sides of this account before we can say on which side of it the net result lies and whether the account is in a sound or an unsound condition. The method of classification followed in presenting the results of operation of

our capital works is, perhaps, partly responsible for the misapprehension to which I am now referring. From the financial point of view, the net income from capital works is the interest on their investment. But we do not show this income under the head Interest. On the expenditure side, however, the interest paid on all obligations including the loans raised for financing such works is shown under the head Interest. The complete account of financial investments should comprise on its receipt side the income from our investments of all kinds, and, on its expenditure side, the interest paid on the sums obtained in all forms for making such investments. We may now look at the position of this account according to the Budget for next year. The total income from all sources of interest is Rs. 79 lakhs, while the total charge on account of interest on Debt and Other Obligations is Rs. 53 lakhs. It will be seen that the income from our investments is considerably more than the interest charge to be met from it.

Our capital works have been financed partly from revenues and partly from loan funds and we may see whether they are yielding a reasonable return on the amounts spent on them. The aggregate book value of all our capital undertakings is Rs. 1,544 lakhs and the net income from them in the next year, after making appropriations to depreciation reserves in all cases, except the Iron Works, is Rs. 52 lakhs and this works out to nearly 3½ per cent. There are some works which have not yet reached the stage of yielding any revenue. The irrigational part of the Krishnarajasagara Reservoir and the connected canal works have not yet reached the paying stage and if we exclude the outlay on these works amounting to about Rs. 300 lakhs, the return should be calculated on an investment of Rs. 1,244 lakhs and it will be 4 per cent. A yield of 4 per cent in this period of unprecedented economic depression cannot but be considered to be satisfactory and the condition of our capital works viewed as one financial undertaking is, I think, quite sound.

*Conversion and Cash Loans.*

In 1930, we floated a conversion loan which helped us to reduce the interest charge on our debt. The conditions for borrowing have since become more favourable and we are therefore considering another conversion operation. It is our object to fund a part of our unfunded debt and also to

replace some of our loans falling due for repayment in the near future by one or more loans with fairly long periods of currency and carrying as low rates of interest as the conditions of the money market permit. Two or three minor loans amounting in all to about Rs. 10 lakhs are due for payment and their discharge has been notified. The redemption of none of our other loans is imminent and the attempt at their conversion is only with the object of reducing the interest charge on our debt. We propose, therefore, to avail ourselves of favourable opportunities for conversion as they offer. Some Local Bodies have applied to Government for loans for carrying out their capital works. It is also necessary to provide money for financing the productive works of Government and for meeting their other capital demands. Our existing cash resources will, as far as possible, be used for these purposes and if it becomes necessary to supplement them, the question of the floatation of a cash loan as well will be considered.

*Loan Sinking Fund.*

As I have already stated, we have no unproductive debt. The loans we have raised are invested on capital undertakings and all of them except the Iron Works make contributions from their annual earnings to depreciation reserves required for maintaining their efficiency and service unimpaired. Our debt supported as it is by paying capital assets strictly requires no sinking fund. Large undertakings however involve some financial risks as, some of the works may not yield the return expected from them, while others may take time to earn enough net revenues to cover the interest charges on sums invested on them. It is desirable that there should be some provision for covering such risks. The sums we are setting apart from our annual revenues under the head Loan Sinking Fund, are not really required for the purpose of redeeming loans. So long as we have annual programmes of productive capital works requiring loan funds to finance them, it is not possible to effect any net reduction in our debt. The so-called sinking fund appropriations which we make from our annual revenues simply serve the object of a general capital reserve formed as a measure of prudence, for strengthening the financial position of our capital undertakings, for avoidance of debt as far as possible, and for maintaining at its highest level our credit for purposes of borrowing.

*Development Works.*

The development of our economic resources has been one of the most important objects of our financial policy and works of large magnitude have been undertaken in pursuance of it. A number of these works, mostly irrigational, have been constructed from revenue funds. With the increasing demands of administration, however, it is not possible to finance large public utility concerns from revenues nor is it fair that projects of permanent value should be carried out from the proceeds of taxation. The provision of funds obtained by borrowing for meeting capital demands is, therefore, an essential feature of the finances of modern governments. We have adopted this plan for some years past and as I have stated, the position of our capital works, considered as a whole, is satisfactory, judged even from the narrow standpoint of financial success. I may invite attention to the nature of the ventures undertaken and the amounts expended on them. Excepting the small broad-gauge line of 55 miles between Bangalore and Bisanattam, the whole of the railway system in the State is our own and it has been built at a cost of Rs. 6 crores. Mysore was the pioneer in hydro-electric installations in India and the investment on our electric works proper amounts to Rs. 3 crores. The cost of our hydro-electric and irrigational works comes to nearly Rs. 4¼ crores. Other capital enterprises including Water Supply Projects and the Iron Works have cost us about Rs. 2¾ crores.

One of the conditions to be fulfilled by a project the cost of which is met from borrowed funds should, of course, be its capacity to yield an adequate return on the amount invested on it. Such return is, however, not the only factor in favour of such works. There are much larger considerations in support of the policy of a continuous programme of development works. There are undertakings vital to the public interests, but clearly beyond the province of private enterprise or beyond the resources of private or joint stock capital. The only agency which can carry them out is Government. Far more important than the financial return are the higher objectives with which large works of this kind are taken up and the chief among these objectives are, provision of transport facilities for promoting trade, expansion of irrigational sources for improving agriculture, exploitation of mineral and power resources for encouragement of industries, and, above all, creation of

avenues of employment to people and raising their standard of life. The augmentation of public revenues so necessary for satisfying such ever increasing social needs as education, sanitation and medical relief is also possible only by the enlargement of the powers of production and the development of material resources.

I have so far spoken of the works already carried out and of their results. It will be seen that much has been accomplished by an active and constructive economic policy but more remains to be done. I shall mention some of the works which will claim our attention in the future. There are a number of irrigational projects of great importance. Our agreement with the Government of Madras gives us the right to irrigate 110,000 acres from the Cauvery and its tributaries, in addition to 125,000 acres which come under the Irwin Canal. The Governments of Madras, Bombay and Hyderabad are actively considering the question of utilising the waters of the Thungabhadra. We have our rights to these waters and there are possibilities of extensive irrigation under the Bhadra and the Thunga which flow through our territory. The demand for electric power, particularly in towns and villages for purposes of lighting, water-pumping and running small industrial plants, is steadily increasing. One of the most potent factors for improving the economic condition of rural areas and for adding to the amenities of life there is power, and we have therefore been actively encouraging this demand. Our hydro-electric power has already spread over a wide area and besides the two Cities of Bangalore and Mysore and the Kolar Gold Fields, 19 towns and 143 villages are now using it for various purposes. All the populous towns and villages should have the benefits of power either hydro-electric or other and the extension of electric service in the State should form an essential part of the programme of economic advancement. Transport, both rail and road, is another department of economic development which will require in the future far more attention than in the past and new problems relating to it will claim solution. All the works to which I have referred are important and some of them are also urgent. It is necessary that we should continue to pursue steadily our policy of carrying out developmental works on which the prosperity and progress of the country so largely depend.

*Conclusion.*

I have now explained our budgetary position and invited

attention to the broad features of some of our important financial problems. It is difficult to say when there will be a recovery from the present agricultural and industrial depression. Economic life appears to move in cycles and the prevailing trade slump and financial stress are, I think, only a temporary phase in the course of material progress and we need have no doubt that it will pass away. The prospects of economic peace and of progressive disarmament have improved in the last few weeks and the most hopeful augury for the future is the lofty appeal made by President Roosevelt and the enthusiastic response it has evoked from most of the Great Nations. The establishment on a stable foundation of economic order in the world depends on the co-operation, the disinterested wisdom and the constructive statesmanship of Europe and America. It is devoutly to be hoped that the decisions of the World Disarmament Conference which is now in session and of the World Economic Conference which will meet in a few days will help to usher in an era of peace, prosperity and goodwill.

The Address over, KHAN BAHADUR MAHOMED ABBAS KHAN, on behalf of the Assembly, congratulated Rajamantrapravina K. Matthan, Officiating First Member of Council, on the title of *Diwan Bahadur* conferred on him by the Imperial Government on the occasion of the recent Birthday of His Majesty the King-Emperor.

MR. P. SUBBARAMA CHETTY also congratulated him on the well-merited distinction which should have been received much earlier. The conferment of the title had given satisfaction to all members of the House, since Mr. Matthan had been doing much good to the State ever since he entered service in the State. He prayed to God to bless him with long life and to enable him to serve long and place the people of the State under a deep debt of gratitude.

MR. H. C. DASAPPA associated himself with all the sentiments expressed by the previous speakers. Rajamantrapravina K. Matthan had given the very best of his life to this State and the recognition received from the Imperial Government was absolutely well-merited. This was but an added proof of the fact that he had won the respect and regard of the Imperial Government no less than he had earned the regard of His Highness the Maharaja and the people of the State.

On behalf of the malnad parts of the State, MR. B. GOPALACHAR also congratulated the Member and wished that

he should be spared for a long time to come and that he may occupy still higher positions and help the people of the State.

MR. D. S. MALLAPPA also expressed the same sentiments and offered his felicitations to the Member.

On behalf of the Depressed Classes of the State, MR. JATRE NAIK offered congratulations to him.

Rajamantrapravina K. MATTHAN thanked all the speakers for their felicitations and said that he valued the sentiments expressed by them, coming as they did from so many elected representatives of the people of the State.

MR. M. VENKATESA IYENGAR, Comptroller to Government, then read out the Kannada translation of the Dewan's Address.

### Swearing in of New Members.

The following new members were then duly sworn in :—

1. Mr. Mir Raza Ali Saheb
2. Mr. Doddiah Heggade.

## GOVERNMENT BUSINESS.

### General Principles of the Bill to Amend the Mysore Lunacy Regulation, 1916.

THE GENERAL SECRETARY TO GOVERNMENT explained the principles as follows :—

Under Section 4 of the Mysore Lunacy Regulation, 1916, when a lunatic has to be admitted into the Mental Hospital, the magistrate within the local limits of whose jurisdiction the alleged lunatic ordinarily resides has to pass a reception order. This is found in practice to be very inconvenient as patients are brought for treatment in the Mental Hospital at Bangalore, from all parts of the State without reception orders from the local magistrates concerned. In such cases, admission into the hospital will have to be refused to the patients and they will be deprived of the benefits of immediate treatment. In order, therefore, to obviate this hardship, it is proposed to amend the section suitably so as to empower the Superintendent in urgent cases to receive the lunatic on an order passed by a magistrate in whose jurisdiction the hospital is situated.

It is also proposed to add after Section 10, which relates to reception orders on petition, a new section to make provision